



United States Attorney District of New Jersey

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UNION OFFICIAL PLEADS GUILTY TO STEALING UNION FUNDS

NEWARK, N.J. – The former Business Manager and Secretary Treasurer for District Council 711 of the International Union of Painters and Allied Trades pleaded guilty today to embezzling union money to benefit himself and his family, United States Attorney Paul J. Fishman announced.

Patrick James Brennan, 48, of Mays Landing, New Jersey, pleaded guilty to an Information charging him with three counts of embezzlement. United States District Judge Katharine S. Hayden accepted Brennan's plea in Newark federal court and set bail at \$100,000 pending sentencing, scheduled for July 26, 2010.

According to documents filed in this case and statements made in court:

District Council 711 is a labor organization headquartered in Atlantic County, New Jersey, which includes several local New Jersey unions. These unions represent and seek to represent painters, drywall finishers, and sign makers, among others. Brennan served as District Council 711's Business Manager and Secretary Treasurer and, as its most senior union official, conducted the organization's day-to-day operations. Under federal law, union officials are required to use union money and property solely for the benefit of the union and its membership, and to account to the union and its membership for any profit received in connection with transactions conducted by the official or at his or her direction. Brennan acknowledged that as a union official he occupied a special position of trust and was a fiduciary to District Council 711 and its members as a group.

District Council 711 issued Brennan an American Express credit card to purchase items and services necessary to carry out his official duties, but Brennan admitted he also used the card and its corresponding membership rewards points to purchase items and services for his and others' personal use and benefit, which purchases were paid for by the union. He further admitted that he hid certain material facts concerning these purchases from District Council 711's trustees.

Brennan admitted that he embezzled money from District Council 711 through the misuse of the credit card to purchase airline tickets, as follows:

Approximate Date	Expense / Charge on Credit Card	Approximate Amount
October 14, 2005	Delta Airlines Flights – Philadelphia, Pennsylvania to Honolulu, Hawaii for defendant’s three children and babysitter (and return flights)	\$2,718.52
March 10, 2006	Spirit Airlines Flights – Fort Lauderdale, Florida to Atlantic City, New Jersey for defendant’s wife	\$556.00
February 9, 2007	AER Lingus – Boston, Massachusetts to Shannon, Ireland for defendant and his wife (and return flights)	\$1,587.60

Brennan also admitted that in June 2006 he gave a 2004 Mercury Grand Marquis, belonging to District Council 711, to a family member without requiring payment. The car had an approximate wholesale value of \$11,200 at the time of the transfer.

Brennan further acknowledged that in 2004, 2005, and 2006, he gave himself year-end Christmas bonus checks, totaling approximately \$8,652, which were not approved by the union’s trustees.

At sentencing, Brennan faces a maximum of five years in prison and a maximum fine of \$250,000, or twice the gross gain or loss from the offense, on each of the three counts to which he pleaded guilty.

In determining an actual sentence, Judge Hayden will consult the advisory United States Sentencing Guidelines, which provide appropriate sentencing ranges that take into account the severity and characteristics of the offense, the defendant’s criminal history, if any, and other factors. The judge, however, is not bound by those guidelines in determining the sentence. Parole has been abolished in the federal system. Defendants who are given custodial terms must serve nearly all that time.

U.S. Attorney Fishman credited Special Agents of the Department of Labor, Office of Inspector General, under the direction of Special Agent in Charge Marjorie Franzman, investigators from the United States Department of Labor’s Office of Labor-Management Standards, New York District Office, under the direction of District Director Ralph Gerchak, the Federal Bureau of Investigation’s Atlantic City Resident Agency, under the direction of Special Agent in Charge Michael B. Ward in Newark, and investigators with the New Jersey Motor Vehicle Commission with the investigation leading to today’s guilty plea.

The government is represented by Assistant U.S. Attorneys Anthony Moscato and Jonathan W. Romankow, of the U.S. Attorney’s Office Criminal Division in Newark.

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Defense counsel: Richard Coughlin, Federal Public Defender, Camden, New Jersey